



## **COUNCIL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT**

### **APPROVED SUMMARIZED MINUTES**

Thursday, March 9, 2017

4:00 P.M.

Community Design Studio

7506 E. Indian School Rd., Scottsdale, AZ 85251

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- PRESENT:** Mayor W.J. "Jim" Lane  
Councilwoman Linda Milhaven
- ABSENT:** Councilman David Smith
- STAFF:** Danielle Casey, Economic Development Director  
Rachel Smetana, Mayor's Chief of Staff, Mayor & Council Support
- GUESTS:** Kyle Moyer, President, Kyle Moyer & Company  
Cylee Gutting, Scottsdale Gateway Alliance  
Carol Miraldi, NAC  
Laraine Rodgers, Navigating Transitions  
Don Henninger, DH Advisors  
Liz Pomeroy, Scottsdale Gateway Alliance  
Chris Shipley, Scottsdale Gateway Alliance

#### **Call to Order/Roll Call**

Mayor Lane called the regular meeting of the Council Subcommittee on Economic Development to order at 4:04 p.m. A formal roll call confirmed members present as stated above, noting the presence of a quorum.

#### **1. Approval of February 9, 2017 Minutes**

**MAYOR LANE MOVED TO APPROVE THE MINUTES OF THE FEBRUARY 9, 2017 MEETING OF THE COUNCIL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT AS PRESENTED. COUNCILWOMAN LINDA MILHAVEN SECONDED. THE MOTION CARRIED BY A VOTE OF TWO (2) TO ZERO (0). COUNCILMAN SMITH WAS ABSENT.**

#### **2. Scottsdale Gateway Alliance Update**

Kyle Moyer, President of Kyle Moyer & Company, said he grew up in south Scottsdale and has witnessed the changes that have occurred there over the years, including the decline of the auto dealerships on McDowell Road and the closure of Los Arcos Mall. When the City Council identified the revitalization of south Scottsdale as its top priority three years ago, he jumped at the opportunity to join the Scottsdale Gateway Alliance (SGA), a non-profit organization dedicated to this effort.

Mr. Moyer shared the results of SGA's 15-month rebranding campaign. The exercise was not about creating a new name for south Scottsdale; it was really about discovering the community's true identity. Destinations have a sense of place, and for too long that sense of place has not existed in south Scottsdale. Many have viewed the area negatively. It is time to tell the positive story of what is going on here. Over 300 hours were spent in a public outreach that visited 15,000 residences in south Scottsdale. SGA hosted tents at over 30 community events, placed thousands of digital ads on social media and online platforms, dropped 24,000 pieces of literature twice to every home south of Osborn, and was the subject of multiple news

articles. This effort was made to recruit 2,500 residents, representing over 10% of all households in the area, to participate in a 56-question online survey. The survey was broken into three categories: demographics, disposition on the amenities, and real estate development. From those responses, 15 focus groups were conducted over the summer to discuss the results of the survey.

Mr. Moyer said 295 south Scottsdale residents are participating in over 27 different activities through Stream, an online proprietary social community. The goal was to arrive at a sense of identity, a sense of place, and a branding platform. Stream activities have been held on topics ranging from public safety, transportation, economic development, and local amenities. The residents of south Scottsdale are better educated and more affluent than commonly perceived. Over 70% have a bachelor's degree or better. Average income is \$15,000 above the average for Maricopa County as a whole. It is a very diverse population.

Mayor Lane inquired how the demographics of the area have changed over the past two decades. Mr. Moyer said the study did not look at historical data, but agreed that it would be useful to consider how those numbers have changed.

Mr. Moyer said south Scottsdale is younger than anticipated. Many young people are moving into the area and investing in their homes. There is redevelopment in every neighborhood. Residents like what they see. Location was overwhelmingly the number one answer for why people moved here. It is convenient and close to everything, and a Scottsdale address means something. People are willing to pay more money for a smaller home than they could find elsewhere because of the quality of life that exists here. They also like the area's unique architecture. There is a strong sense of community and people are engaged with their neighbors. They take pride in their individuality and shy away from common perceptions that people have about the rest of Scottsdale.

Mr. Moyer stated that the notion that south Scottsdale is opposed to redevelopment is not true. They strongly favor development provided that it fits within the character of the neighborhood. It matters little how tall or dense a project is; or if it consists of apartments, condos or mixed use, so long as it looks good. If it is aesthetically pleasing, the residents of south Scottsdale will embrace it. The notion of a handful of people routinely opposing development projects at Council meetings is not representative of the residents as a whole. They welcome change and are excited about the redevelopment. They want better amenities and know that the only way these will come to south Scottsdale is if a population exists that can economically support them. Residents of south Scottsdale like any things about their area, but they especially love their outdoor amenities such as the parks, canals, and the Papago Buttes.

Mr. Moyer explained that four basic branding pillars came out of the research:

- Quality of life
- Location
- Outdoor lifestyle
- Unique architecture.

Respondents indicated that they would like to see the area's predominant mid-century modern architecture be leveraged to create more modern architecture in new developments.

Seven themes emerged from the research:

- Maintaining the importance of a friendly and vibrant community along with a strong economic core that embraces the local community. They believe in the importance of

revitalizing older retail centers to support new mixed use spaces within walking distance of activities.

- Ensure that south Scottsdale is synonymous with inclusivity, fostering diversity, and is a caring, friendly, involved, and welcoming community. There are few east/west pedestrian/bicycle thoroughfares through south Scottsdale. Oak Street is the most popular because it is quiet and comfortable.
- A community that fosters and supports active and healthy lifestyles. Most identified these types of activities as daily events.
- The youthfulness they are looking for refers more to the energy than the age represented. Residents are actively looking for new forms of entertainment to bring into the area.
- Their desirability for sustainability goes beyond environmental consciousness. They find value in supporting local businesses, multi-modal transportation, establishing incentives and energy efficient programs for residents to support sustainable living, encourage building design that reduces energy consumption, and encourages sustainable landscaping practices. Eighty-seven percent were supportive of integrating renewable energy sources into new developments.
- Appreciation of the mid-century modern style of design and the meaning it holds for south Scottsdale. They feel this is important to their heritage, sets Scottsdale apart, represents the timelessness of the area, and is the dominant style.
- Besides being the first area of Scottsdale to be developed, south Scottsdale is a centrally located hub.

Mr. Moyer explained that several logo themes were developed and introduced to focus groups. One theme clearly emerged as the favorite and was deemed the most representative of south Scottsdale. This information was used to narrow down the concepts to one design that was chosen by residents as the area's new brand. The theme features a hummingbird species native to Arizona, which is unique, colorful, vibrant, efficient, and nimble.

Mr. Moyer said the SGA will embark on a six- to nine-month marketing campaign to market the south Scottsdale brand regionally. The basic print concepts have been developed. Through display ads and digital marketing, specific demographics will be targeted with three thirty-second spots.

Mayor Lane compared different versions of the logos, particularly in the size of the words "South" and "Scottsdale". Mr. Moyer said the residents wanted a brand that is more colorful and authentic, and not flashy. There was overwhelming support for keeping the name south Scottsdale, which conveys a destination, as opposed to southern Scottsdale, which suggests a cardinal direction. Mayor Lane said the term south Scottsdale has been used in a somewhat negative way in the past, so elevating it with the new branding will improve how the community is perceived.

Councilwoman Milhaven asked how the City could be expected to judge the success of the media campaign. Mr. Moyer responded that viewing rates, click-through rates, and conversion rates are good ways to measure campaign success. The current website is attractive, but static. The new website will be a community resource featuring a business directory, amenities directory, and real estate directory. If people are clicking through several layers and end up visiting the websites of linked businesses it suggests they are deeply interested in the area.

Mr. Moyer said revitalization of an area centers on real estate development more than anything. When choosing locations, developers look at two central themes: time and risk. Based on some of the challenges that developers have faced in south Scottsdale over the past few years, there is a hesitation. Aside from the branding, the goal of this effort is to create a sustainable coalition of residents in south Scottsdale that will support progressive real estate development in the

area. When the Scottsdale Entrada project came forward for approval, the SGA was able to bring forward broad community support to testify in its favor, and it passed unanimously. That sent a broad reaching message to the rest of the development community that ambitious projects have a chance in south Scottsdale.

Mayor Lane said south Scottsdale is really a desirable area, especially because of its location, and that has been understated for a long time. The rebranding will help reset general perceptions of the area, which reduces risk, brings investment, but also creates value for the people who live there. Mr. Moyer said the relationship between new and longtime residents of the area is symbiotic. The longtime residents love seeing the new families on the street, and the younger residents that are moving into the area have an appreciation for the history and the heritage that the older residents provide. He said the most frequent complaint is that the older homes are hard to remodel. He suggested that the City could help by creating some design standards that make it easier for people to expand their existing homes. The existing setbacks in many neighborhoods also prevent redevelopment, and it would be important for Planning and Zoning to review those restrictions.

Mr. Moyer stated that there is one item in the Capital Improvement Budget that the SGA is most interested in, and that is the redevelopment of the berms north of McDowell Road at Indian Bend Wash. Elimination of the berms would provide a more visually stimulating aesthetic into the park as well as better pedestrian ingress and egress. The community loves the recent infrastructure improvements that have been made to Indian School Road, and while opinions are mixed on the Thomas Road aesthetics, people are happy that investments have been made there. Councilwoman Milhaven said that while the berm removal would be great, there are other urgent needs in that very park that need to be considered in the broader context as well.

Mr. Moyer noted that 90% of the people who participated in this process were doing so for the first time. They had to learn the processes, and were completely unaware of the opposition that some of their neighbors have held towards these development projects for years. Until the broader SGA effort started, a small number of opposition voices were the only ones being heard. People that favor revitalization in the area tend to be busy people. They are beginning to understand that if they want progressive action, it is imperative that they take action and pay attention to what is going on.

The Subcommittee said the berms are the one clear ask and should be moved forward to the CIP Subcommittee for some consideration. Mayor Lane stated that one of the things the CIP Subcommittee will have to reckon with is how to educate and activate the residents to understand that bond measures are part of the democratic process and that the choices they make can bring about projects that affect the community as a whole in a positive way. The goal should be to raise the percentage of voters participating in bond measures.

### **3. Economic Development Department Report**

Danielle Casey, Economic Development Director, provided a brief update on economic development activity. The Online Business Feedback Portal will be used to gather feedback from the business community. The questions are similar to those asked in the Citizens Survey, covering different City services, infrastructure, and their perceptions of the existing business climate. Initial results are expected in time for the next Subcommittee meeting in April.

The Small Business Training Series is starting again in May. Last year's program was a big success. This year's program will be at SkySong, which is sponsoring the program. The South

by Southwest Job Market starts this week, and Scottsdale will be present to support 23 local companies.

The Cure Corridor Event on March 31 will feature Lisa Clarke of the Mayo Clinic Destination Medical Community who will talk about medical tourism and biotech. The event will be video recorded for online viewing. In the first week of April, an accreditation review team will come from the International Economic Development Council for an onsite visit. Accreditation is made on a pass/fail basis. There are only 50 accredited organizations in the U.S. and only one in Arizona.

Ms. Casey reported that future Subcommittee meeting discussions will focus on the Urban Land Institute, the Online Feedback Portal, and a bike share program being proposed by Phoenix, Mesa, and Tempe.

**4. Open Call to the Public (A.R.S. §38-431.02)**

There were no public comments.

**5. Future Agenda Items**

None.

**Adjournment**

With no further business before the Subcommittee, the meeting adjourned at 5:11 p.m.

Respectfully submitted,  
eScribers.